BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 94-392-W/S - ORDER NO. 94-1093 V

IN RE: Application of North County Service Company) ORDER for Approval of the Transfer of Water and) GRANTING Wastewater Facilities, Territory and) WAIVER OF Certificate of Public Convenience and Necessity to York County.) APPROVING) TRANSFER

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of North County Service Company (NCSC or the Company) requesting approval of the transfer of its water and wastewater facilities, territory, and Certificate of Public Convenience and Necessity to York County.

By letter dated June 30, 1994, the Commission's Executive Director instructed NCSC to cause to be published a Notice of Filing, one time, in a newspaper of general circulation and to directly notify all customers affected by the Application of the Application. The Notice of Filing indicated the nature of the Company's Application and advised all interested persons desiring participation in this Docket of the manner and time in which to file appropriate pleadings. The Company supplied affidavits to the Commission demonstrating that the notice had been duly published and that a copy of the notice had been mailed to each customer affected by the Application. No Petitions to Intervene were received by the Commission.

The Company now requests that the Commission waive a hearing and approve the transfer. According to the Application, NCSC is the entity authorized to provide water and wastewater service in the service area, but the physical facilities used in NCSC's Application are now owned by Home Federal Savings Bank of Rock Hill, South Carolina. The Application states that Home Federal Savings Bank came into possession of the facilities as the result of a judgment of a foreclosure action in the York County Court of Common Pleas. (York County Common Pleas C/A No. 92-CP-46-915, filed January 27, 1993.) The Application further states that NCSC continues to operate the facilities pursuant to an agreement with Home Federal Savings Bank.

The Application also states that NCSC desires to terminate its public utility functions and to transfer the service area, facilities, and Certificate of Public Convenience and Necessity to York County. NCSC submits that the transfer is in the best interest of its customers and the public as NCSC has experienced financial difficulty, as demonstrated by the foreclosure action against its facilities. NCSC offers that York County has the financial resources needed to insure continued, reliable, and efficient service to NCSC's existing customers. Further, NCSC submits that York County is capable of providing water from a surface water treatment facility, thereby eliminating problems for the customers which result from the high mineral content currently associated with the water provided by NCSC's wells.

NCSC advises the Commission that it has negotiated an Agreement (the Agreement) with York County whereby York County will acquire the water and wastewater facilities, the service area, and Certificate of Public Convenience and Necessity presently authorized to NCSC. However, NCSC also advises the Commission that the Agreement is expressly contingent upon the Commission approving the transfer and that heretofore no transfer of any utility assets to York County has occurred. If the Commission approves the Agreement, customers in the current NCSC service area will be charged in accordance with York County's rate ordinance.

The Commission also takes notice of a letter dated September 26, 1994, from Robert Halyburton, Board Member of the Bailiwyck Homeowners Association, wherein Mr. Halyburton advises the Commission that the Bailiwyck Homeowners Association does not object to the transfer of the water and wastewater facilities to York County.

The Commission has examined this matter and believes, and so finds, that the transfer of NCSC's water and wastewater facilities and service area is in the public interest. Consequently, the Commission finds that a hearing in this matter should be waived and that the transfer should be approved. As York County does not require a Certificate of Public Convenience and Necessity to operate a water or wastewater system, the Commission will not address the transfer of NCSC's Certificate of Public Convenience and Necessity.

IT IS THEREFORE ORDERED THAT:

- 1. A hearing on this matter is waived.
- 2. The transfer of NCSC's water and wastewater facilities to York County is approved.

- 3. The night hearing previously ordered in this Docket is cancelled.
- 4. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Rudos mittell

ATTEST:

Executive Director

(SEAL)